

COMMITTEE ON FINANCE

April 19, 2005

Upon Recess of BMA

Mayor Baines called the meeting to order.

The Clerk called the roll. There were fourteen Aldermen present.

Present: Aldermen Roy, Gatsas, Guinta, Sysyn, Osborne, Porter, O'Neil, Lopez, Shea, DeVries, Garrity, Smith, Thibault, Forest

Messrs.: Kevin Clougherty, Robert MacKenzie

Mayor Baines addressed item 3 of the agenda:

3. Communication from the Director of Parks, Recreation and Cemeteries advising of anticipated shortfalls in the general fund salary and restricted line items in the FY05 budget.

Mayor Baines stated I am removing this item as it has been referred to the Committee on Accounts, Enrollment and Revenue Administration.

Alderman Smith stated it came before the Committee on Accounts this evening and was referred to the Committee on Finance.

Mayor Baines asked what are you recommending to be done with this? Seriously, the procedure that we set up and we all agreed to was that these matters would go to the Mayor and the Finance Officer who would make recommendations to the Board and this is not being followed in this case. Somebody has to inform me what has been done here though because we met this afternoon on it and the agreement was that it was going back to the proper procedure that was agreed to.

Mr. Kevin Clougherty, Finance Officer, stated at the Committee on Accounts it was discussed...the letter that came from Parks and Recreation from Ron Ludwig. There are basically a number of issues that Ron's trying to deal with. Number one, as you may recall from the previous meetings with Highway he has some questions with respect to how his Worker's Comp and how his liability insurance and how his health insurance is going to be handled. We've assured him that there are trusts set up for those purposes and no action needs to be taken with respect to

that at this time. He also had a request for a transfer from Salary Adjustment and we told him that that's done as a process at the end of the year. His third item as you may recall was to transfer some money from his overtime line to his salary line...

Mayor Baines interjected those requests are supposed to come to the Mayor.

Mr. Clougherty stated the Committee agreed and Ron will be submitting the proper form to do that so there's really no action that needs to be taken. I think what Ron wanted to do is just make sure that the full Board was aware that he had made some issues with respect to the insurances and that they are recovered.

Mayor Baines stated then all we need to is receive and file.

Alderman Osborne moved to receive and file the communication from the Director of Parks, Recreation and Cemeteries. Alderman Thibault duly seconded the motion.

Alderman Shea stated what we discussed was really informational and therefore this was already on the agenda prior to our actually conducting the meeting, so basically we concur with what you had indicated.

Mayor Baines stated again it was because I was not here last week, we thought we would have said that this is not following proper procedures but that's okay as long as we've dealt with it.

Mayor Baines called for a vote on the motion to receive and file. There being none opposed, the motion carried.

Mayor Baines addressed item 4 of the agenda:

4. Resolutions:

“Amending the FY2005 Community Improvement Program, authorizing and appropriating funds in the amount of One Million One Hundred Seventy Eight Thousand Five Hundred Eighty Four Dollars (\$1,178,584) for various Homeland Security & Hazardous Material Projects.”

“Amending the FY2005 Community Improvement Program, authorizing and appropriating funds in the amount of Five Thousand Dollars (\$5,000) for the 2005 CIP 214205 Endowment for Health – Health Link Program.”

“Amending the FY2004 and 2005 Community Improvement Program, transferring, authorizing and appropriating funds in the amount of Eighty Six Thousand Eight Hundred Fifty Two Dollars and Ninety Five Cents (\$86,852.95) for the 2005 CIP 510005 Park Facilities Improvement Program.”

“Amending the FY2005 Community Improvement Program, authorizing and appropriating funds in the amount of Two Hundred Sixty Thousand Dollars (\$260,000) for the 2005 CIP 710205 Public Works Infrastructure Program.”

“Authorizing the Finance Officer to effect a transfer of Fifty Thousand Dollars (\$50,000.00) from Contingency to Environmental Protection Division – Fuel Oil.”

On motion of Alderman O’Neil, duly seconded by Alderman DeVries, it was voted to dispense with the reading of the Resolutions by titles only.

Alderman Shea stated we’re authorizing \$50,000 for the Environmental Protection Division out of general funds. Why are we doing that? Isn’t that a...Kevin, you’re shaking your head.

Mr. Clougherty stated if you recall the appropriation for EPD is a separate appropriating resolution and in that resolution they have their own contingencies. So, this transfer is within that resolution and it’s not from the general fund contingency.

Alderman O’Neil moved that the Resolutions ought to pass and be enrolled. Alderman Osborne duly seconded the motion. There being none opposed, the motion carried.

Mayor Baines addressed item 5 of the agenda:

5. CIP Budget Authorizations:

510404	Downtown Parks Rehabilitation-Revision #1-Closeout
214205	Endowment for Health – Health Link Program

411705	Homeland Security Competitive Grants
411805	Public Health Response for Bioterrorism
411905	Homeland Security Hazardous Materials
412005	FIRE Act Grant
510005	Park Facilities Improvement Program – Revision #2
710205	Public Works Infrastructure – Revision #2

Alderman Sysyn moved that the CIP budget authorizations be approved, subject to final adoption of related resolutions. Alderman Garrity duly seconded the motion.

Alderman Shea in reference to 710205 stated I'm opposed the appropriation for The Hands Across the Merrimack. I believe that that's about \$300,000 and I think that at the CIP meeting I brought up the fact that most of the funding that is responsible for that project is really coming out of taxpayers money except for some money from the State and I know that I made a comment at the end of the CIP meeting indicating that we do have various needs in the City and I know that most of the Aldermen here favored that project but then when it comes times for the needs within their own wards they raise issues and so I'm not in favor of our giving so much money for this project which I think is a want rather than a need and I know that it was brought up that several additions to our budget or to your budget is going to have to be added because we're running short on different departments and so I'm not in favor of this, your Honor.

Alderman Gatsas stated I agree with the Chairman of the Board where I think Alderman O'Neil very specifically spoke about unless the money was raised we as a City were not going to expend any other dollars...I think only for the engineering...I think that was a motion that he made and I think it was something that this whole Board understood. Now, I guess we're going from a \$1.6 million bridge across the Merrimack to somewhere around \$2 million...

Mr. Robert MacKenzie, Director of Planning, stated this particular action tonight is to accept a State grant...this is the Community Development Finance Authority Tax exempt bonds were sold by the State and the money dedicated to the Riverwalk systems. Tonight's action is only to accept that money.

Mayor Baines stated just to correct a couple of things here. First of all, \$600,000 is coming from money that I went...my first year as Mayor and secured out of another federal grant...they're also raising additional private funds including naming rights so it is not going to come out anywhere near the percentage of funds from the taxpayers as was so indicated and there's been a very dedicated group of

volunteers including myself and a number of others that are out trying to raise private dollars for this project. So, this is a true partnership with people in the community...community organizations to make this project a reality.

Alderman Shea asked Mr. MacKenzie how much is the total cost of that project?

Mr. MacKenzie replied the total project is estimated to be \$2.3 million.

Alderman Shea stated and private funds are going to raise how much?

Mr. MacKenzie replied \$400,000 is projected from private funds.

Alderman Shea interjected private funds are raising \$400,000 and the rest of the money is coming from what sources?

Mr. MacKenzie replied there will be two sources. One is city bond monies which is \$1 million.

Alderman Shea asked is that taxpayers money?

Mr. MacKenzie replied yes it is.

Alderman Shea stated okay so that's \$1 million of taxpayer's money, what else?

Mr. MacKenzie stated there was \$900,000 in total from other sources primarily the State and federal government and then again projected that the private individuals have raised \$400,000, they've also committed to raising another \$200,000 beyond that for long-term maintenance but that's not required for the construction of the project.

Alderman Shea stated so the bulk of the money is coming from either taxpayers money or federal money rather than from private donations.

Alderman Garrity stated this is grant money that we're accepting right.

Mayor Baines replied yes.

Alderman O'Neil stated just for clarification. Alderman Gatsas is correct. We did approve, approximately a year ago, money to do design because they said they needed to have a design to go out and raise the private money but they are not to start...spend one dollar for construction until the private dollars are raised.

Mayor Baines stated that is correct.

Mayor Baines called for a vote on the motion. The motion carried with Aldermen Gatsas and Shea duly recorded in opposition to 710205 relating to The Hands Across the Merrimack Project.

Alderman Gatsas stated those grant dollars...if we accept them we could use them for another project on the river, is that correct?

Mr. MacKenzie replied they were purchased by businesses specifically for the Riverwalk so I don't think you could use it for anything other than Riverwalk without going back to all of the businesses that contributed.

There being no further business to come before the Committee, on motion of Alderman Garrity, duly seconded by Alderman DeVries, it was voted to adjourn.

A True Record. Attest.

Clerk of Committee